

Onondaga County Industrial Development Agency
Regular Meeting Minutes
February 9, 2016

The regular meeting of the Onondaga County Industrial Development Agency was held on Tuesday, February 9, 2016 at the 333 West Washington Street, Syracuse, New York in the large conference room on the first floor.

Chairperson Daniel Queri called the meeting to order at 8:05 am with the following:

PRESENT:

Daniel Queri
Patrick Hogan
Janice Herzog
Steve Morgan
Susan Stanczyk

ABSENT

Jessica Crawford
Victor Ianno

ALSO PRESENT:

Julie Cerio, Executive Director
Honora Spillane, OCIDA, Secretary & Treasurer
Karen Doster, Recording Secretary
Steven Coker, Office of Economic Development
Tony Rivizzigno, Gilberti Law Firm
Sara Wisniewski, Gilberti Law Firm
Aggie Lane, Urban Jobs Task Force

APPROVAL OF REGULAR MEETING MINUTES - DECEMBER 15, 2015

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved the regular meeting minutes of December 15, 2015. Motion was carried.

APPROVAL OF REGULAR MEETING MINUTES - MINUTES JANUARY 12, 2016

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Board approved the regular meeting minutes of January 12, 2016. Motion was carried.

TREASURER'S REPORT

Honora Spillane gave a brief review of the Treasurer's Report for the month of January 2016.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved the Treasurer's Report for the month of January 2016. Motion was carried.

PAYMENT OF BILLS

Honora Spillane gave a brief review of the Payment of Bills Schedule #391.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved the Payment of Bills Schedule #392 for \$393,442.02 and PILOT payments to Town of Cicero for \$46,831.60, Town of Clay for \$96,675.63, Town of DeWitt for \$183,562.70, Town of Elbridge for \$65,268.44, Town of Geddes for \$59.36, Town of Lysander for \$85,968.00, Town of Manlius for \$160,437.34, Town of Onondaga for \$1.82, Town of Salina for \$105,734.82, Town of Skaneateles for \$45,787.29, Town of Van Buren for \$38,235.00, Village of Solvay for \$472.27, Baldwinsville Central School District for \$33,695.00, East Syracuse Minoa School District for \$658,183.90, Jamesville Dewitt School District for \$58.54, Jordan Elbridge School District for \$367,430.65, Liverpool School District for \$1,104,032.97, Lyncourt Union School District for \$442,633.29, North Syracuse School District for \$396,708.07, Skaneateles School District for \$227,057.12, Solvay Union School District for \$992.87, West Genesee School District for \$195,650.00, City of Syracuse for \$907.75 and Onondaga County for \$1,207,400.54. Motion was carried.

CONFLICT OF INTEREST DISCLOSURE

The Conflict of Interest Statement was circulated and there were no comments.

G & C FOODS

Karen D'Antonio stated G & C Foods is moving ahead, financing is in place and ready to close end of next week or beginning of next. She stated a related entity is acquiring the property and then master leasing it back. She stated the operating business will make all the improvements.

Honora Spillane stated the handout is the updated cost benefit reflecting the change with the purchasing acquisition structure and is still well within OCIDA's parameters. She stated the purchase price of the building is not included anymore.

Steve Morgan asked if the \$6.5 million is construction costs. Karen D'Antonio agreed.

Daniel Queri asked where G & C Foods is with financing. Karen D'Antonio stated they will be closing next week at the latest and it is leasehold financing.

Daniel Queri asked what anticipation of completion is. Karen D'Antonio stated she thinks it will be before year end. She stated necessary permitting and approvals are being done now.

Steve Morgan asked if there were any comments at the public hearing. Honora Spillane stated there were no negative comments regarding the project. She stated Baldwinsville School District commented that generally they are not in favor of PILOTs but if they do see them they enjoy seeing good manufacturing PILOTs. She stated they also had thoughts on the 2%/CPI property tax cap unrelated to this.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution for SEQRA purposes concerning the environmental significance of the G & C Foods project as an unlisted action and will result in no significant adverse environmental impact. Motion was carried.

Upon a motion by Patrick Hogan, seconded by Janice Herzog, the OCIDA Board approved an inducement resolution for a straight lease transaction for the G & Foods project consisting of the development of manufacturing space in the Town of Van Buren. Motion was carried.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

TOWNE CENTER RETIREMENT COMMUNITY

Mandy Monson stated the Resort Lifestyle Communities home office is based out of Lincoln, Nebraska. She stated they are working with Heuber Breuer. She stated they anticipate starting vertical construction in April or May. She stated they have been building senior independent living retirement communities since the late 90's with their first one in Lincoln, Nebraska and have opened 13 more communities. She stated one of the reasons they are locating here is because there is a need. She stated in an 8 mile radius there are approximately 15,000 seniors qualify and there is little inventory available to seniors now. She stated their feasibility studies show about a 98% occupancy as far as senior independent living. She stated the closest competitor is Maple Downs, not far from the site and they have good occupancy there. She stated they are building 128 unit senior independent living community and resulting in about 200 construction jobs which equates to about \$8,000,000 to \$10,000,000 and 30 FTE which they provide salaries and benefits of \$1,000,000 plus. She stated they have financing committed and working with M & T Bank for construction financing. She stated they are working with local partners in the area. She stated they are getting things firmed up as far as access then they will be ready for building permits. She stated they are providing a product needed in the community but doesn't put more pressure on the school district. She stated they are new to the NY and the reason why they are in front of the Board is because the building is costly, they are finding additional costs as far as NY especially real estate taxes and the cost of some of the materials in addition to the labor and wages. She stated they are applying for the PILOT program, mortgage tax exemption and sale and use tax rebate.

Patrick Hogan asked what is meant by qualified seniors and is it financial. Mandy Maude stated they look for 75+ seniors so they are an age restricted community at 55+. Matt Maude stated there is no restriction on income. He stated when they say qualified they are using an internal term that says we want households that are 75+ years of age or older within an 8 mile radius.

Patrick Hogan asked what a unit would cost. Matt Maude stated they have studio, 1 bedroom, 2 bedrooms and 3 bedrooms. He stated a one bedroom would range between \$2,800 and \$3,800 and they use an all-inclusive pricing mechanism. He stated within the rental rent is all the utilities, all the amenities including food service, transportation and housekeeping.

Janice Herzog asked what other residents in the area are similar to this one. Mandy Monson stated Maple Downs is most similar and Nottingham.

Janice Herzog asked how the rates compare to the other entities. Mandy Monson stated they are always in the market right in the middle and the average rental is around \$3,600. She stated they have 4 studios, 4 3-bedrooms and the majority is 1 and 2 bedrooms.

Daniel Queri asked how large a 3 bedroom unit is. Matt Maude stated the 3 bedroom is about 1,250 square feet, a 2 bedroom is 1,150, 1 bedroom is 770 and the studios are 560. He stated the average rent for greater Syracuse area is \$3,790 per month for independent living.

Patrick Hogan asked who did their study. Matt Maude stated they do it internally. He stated once they identify a particular market they then narrow it down to a submarket. He stated once they conduct all of their internal site review, they physically visit the site to validate. He stated they meet with local officials and typically engage local civil engineers.

Daniel Queri asked for a description of the common area. Matt Maude stated the building is relatively simple with a core and a wing on either side of it. Mandy Monson stated that when you walk in there is always a water feature in all of their buildings. She stated it is an open building and they have what they call Main Street so when you walk into the core you can take a right or left and that is all of Main Street. She stated behind the core is the dining area and in all of the communities they have an open chef's prep area so the residents can interact with the chefs. She stated if the residents want something a little bit different to their meals they chef's to make it. Matt Maude stated when you walk down Main Street there is a local bank with limited hours, full workout facility, billiard room, library, beauty salon, 150 seat theater. He stated they have a resident manager which is a husband and wife team that physically reside in the building and there is a concierge. He stated there is somebody on call 24-7 should there be any kind of emergency and the residents have a bracelet or pendent. He stated they have a local drug store with sundry items who will deliver to the residents. He stated there will be small space for a home health care agency. Mandy Monson stated they have a shuttle service available and covered garages that can be rented.

Steve Morgan stated he is not sure if the construction job revenue or total construction was \$8-10 million. Mandy Monson stated just labor on the cost of construction.

Steve Morgan stated about \$1,000,000 a year in FTEs. Mandy Monson agreed.

Steve Morgan asked if the project would still go forward without a PILOT. Matt Maude stated yes.

Susan Stanczyk asked if there are other facilities in the Northeast. Mandy Monson stated this is the first and they are looking at New York for additional sites. She stated the PILOT allows them to make it more economically feasible to keep looking in New York.

Steve Morgan asked the impact to residents if a PILOT was not granted and asked if they would see a higher rental fee. Matt Maude stated the impact would be higher costs for the residents.

Daniel Queri asked if they furnish the units. Matt Maude stated no and the residents typically are downsizing from their existing home and they are bringing their personal items. He stated the units are equipped with washer dryer hookups, stove, oven, microwave, refrigerator and dish washer.

Daniel Queri asked when they are full what percentage of residents use the full food program. Mandy Monson stated a majority of them use the Freedom Dining Services which is 3 meals a day. She stated that they also have a cold bar available at any time of during the day. She stated 7:00 am to 7:00 pm the kitchen is open and the chefs will cook for them. Matt Maude stated meals are delivered if they are ill. He stated that 99.9% use that feature at some point during the day.

Janice Herzog asked about the location. James Breuer stated the entrance is off of North Burdick Street to the North Medical Center and was selected because of the resident population and convenience to the Town Center and medical center. He stated it is an extremely expensive site to develop and had to draw over 25,000 truckloads of fill off the site and spend about \$1.5 million on retaining walls. He stated the site is totally serviced by all utilities so they are not forcing utility extensions on the town. He stated the site development overall cost is approaching 20%.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution describing the proposed Towne Center Retirement Community project and the financial

assistance the Agency may provide and authorizing a public hearing for the project. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the Board authorizing the execution of the Agent Agreement outlining the responsibilities of the Developer and Agency for the Town Center Retirement Community project. Motion was carried.

Patrick Hogan asked when the public hearing will held. Honora Spillane stated a couple weeks.

TESSY PLASTICS

Daniel Queri stated that at the last meeting Ed Petruniak explained the situation with certain benefits beyond the control of OCIDA. Karen D'Antonio stated Tessy Plastics is still working through those and there is no final resolution yet.

Daniel Queri asked if they are optimistic. Jeff Davis stated yes but legislation that was spoke about last time was not in the Governor's plans but there are alternative things are being discussed with the State.

Honora Spillane stated the VanBuren Supervisor asked if they are touching the old Syroco plant and they are not. She stated just the site is being remediated as part of Tessy's project not the building.

Daniel Queri asked if they are moving forward. Jeff Davis stated everything is approved, permitted and ready to go. He stated they are waiting for more confidence from the legislation piece.

Daniel Queri asked how they are financing the project. Karen D'Antonio stated they will not be financing.

Steve Morgan asked if they own the Syroco plant. Honora Spillane stated they don't own the building.

Daniel Queri asked how much land is left after this project. Karen D'Antonio stated there is room for more growth. She stated she thinks they are at capacity at the Elbridge facility so the expansions will be more at the Van Buren location.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution of the Board for SEQR purposes determining that the Tessy Plastics project will not have a significant effect on the environment and requires no further environmental review. Motion was carried.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board approved an Inducement Resolution for a straight lease transaction for a project consisting of the development of manufacturing space in the Town of Van Buren. Motion was carried.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

TESSY PLASTICS

Honora Spillane stated Tessy Plastics acquired the former Hand Held Products building in Skaneateles. She stated they had an existing PILOT and there was a tri-party agreement and the agreement is done. She stated they finished doing what they needed to do in the building so a new PILOT can be executed on that facility.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the Tessy Plastics (Skaneateles) project. Motion was carried.

PRIMA TERRA

Karen D'Antonio stated Prima Terra is moving forward with their financing and is ready to go. She stated they are waiting for the final approval from the Agency to move forward then they are ready to start their site preparations and get construction underway.

Steve Morgan asked when the completion date is. Jeff Davis stated he thinks early 2017.

Daniel Queri asked if they had an progress or interest with the out parcels. Karen D'Antonio stated they were fairly far along with one negotiation but the potential tenant left but they are continuing their efforts. She stated they are aggressively pursuing it but nothing signed yet.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved a resolution for SEQR purposes determining the Prima Terra project will not have a significant effect on the environment and requires no further environmental review. Motion was carried.

Upon a motion by Patrick Hogan, seconded by Susan Stanczyk, the OCIDA Board approved an Inducement Resolution for a straight lease transaction for a project consisting of the development of the development of commercial space in the Town of Salina. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

INFICON

Honora Spillane stated the resolution is giving authorization of the execution of the PLOT. She stated the Inficon project was approved last year and the Cost Benefit is in the packet with the summary. She stated Inficon has completed their expansion and ready to execute the PILOT.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the Inficon project. Motion was carried.

COR INNER HARBOR

Honora Spillane stated COR has provided notice pursuant to the Master Lease that are they moving forward with development of new parcels. She stated they will be doing 2 4-story buildings mixed use on Van Renssalaer.

Tony Rivizzigno stated by virtue of their application and terms of the Master Lease Agreement the Board will now enter into regular agreements with them on the subproject. He stated it is not done yet but will all be done in accordance with the Master Lease agreement.

Daniel Queri stated as they continue further development on a project by project basis they will come in. Tony Rivizzigno stated that we will probably amend the Master Lease Agreement because they have different corporations they are using for each project. He stated the Master Lease only contains a couple of them so every time there is a new one they have to amend and he would like to do it just once. He stated all the corporations being used for the separate projects will be put under one and amend at one time.

Janice Herzog asked if each project has to qualify. Honora Spillane stated each project has to be within the scope of the Master Lease Agreement.

Steve Morgan asked if the new LLC should be in the resolution. Tony Rivizzigno stated that it will be on the amendment to the Master Lease Agreement. He stated he held it up so he could get all the different corporations so the Board doesn't have to do this every time.

Janice Herzog asked if they have to go through a public hearing. Honora Spillane stated no because it is all under the scope of the Master Lease. Tony Rivizzigno stated they go back to the City for their building permit just like they would normally.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing a new sub-project, pursuant to the Master Lease Agreement authorized by the OCIDA inducement resolution of December 15, 2015; and authorizing the signing by the Executive Director of all related documents. Motion was carried.

Honora Spillane stated the rest of the projects on the agenda have been approved. She stated the reason they are all coming now is the taxable status filing date is the end of February so we need Board approval on the PILOT and the closing documents to get them filed. Tony Rivizzigno stated all the projects listed are in the towns so the tax assessment date is March 1 and if they are not on by March 1 they have to wait another year.

CP 850 (15-10A)

Upon a motion by Janice Herzog, seconded by Patrick Hogan the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the CP 850 (Center Pointe Apartments) project. Motion was carried.

Upon a motion by Steve Morgan, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

CP 850 (15-04A)

Steve Morgan asked if they are working on their 2nd project. Daniel Queri stated that the first one is under construction and the 2nd one is going through the approval process.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the CP 850 (Center Pointe Apartments) project. Motion was carried.

Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

SYRACUSE LABEL

Honora Spillane stated the bond closing was the end of December 2015.

Patrick Hogan stated he heard there was an issue with the new location. Honora Spillane stated she is working with OCWA and Syracuse Label. She stated they need a new water pipe installed because the current main does not meet the needs of their flow for retardant purposes.

Patrick Hogan asked who's responsible as for as money goes. Honora Spillane stated they are working with airport management, OCDC. Julie Cerio stated it is on OCDC's agenda.

Patrick Hogan stated OCDC is the entity they have to deal with. Julie Cerio stated there is a separate account set up through OCDC but she is not sure what OCDC will do. She stated we may go back to OCWA and see if they are willing to share the cost. She stated it will be for the whole park so maybe they have an economic development fund.

Upon a motion by Janice Herzog, seconded by Steve Morgan, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the Syracuse Label project. Motion was carried.

SEKO

Honora Spillane stated the SEKO was the logistics company that is expanding their operation. She stated they do large scale logistic deliveries.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried.

Upon a motion by Patrick Hogan, seconded by Susan Stancyk, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the SEKO (Distribution Support Systems) project. Motion was carried.

CINTAS

Honora Spillane stated Cintas is the commercial laundry facility and they are building new.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the execution and delivery of closing documents. Motion was carried

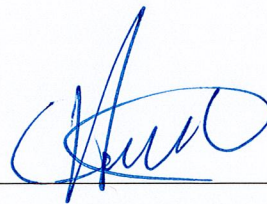
Upon a motion by Susan Stanczyk, seconded by Janice Herzog, the OCIDA Board approved a resolution authorizing the terms, execution and delivery of a certain payment in lieu of tax agreement related to the SEKO (Distribution Support Systems) project. Motion was carried.

ANNUAL ADMINISTRATION AGREEMENT WITH ONONDAGA COUNTY

Honora Spillane stated annually OCIDA contracts with the County's Office of Economic Development for administrative services to the Board. She stated this is the formal agreement.

Upon a motion by Janice Herzog, seconded by Patrick Hogan, the OCIDA Board approved a resolution authorizing the Chair to sign the annual administrative services agreement with Onondaga County. Motion was carried.

Upon a motion by Steve Morgan, seconded by Susan Stanczyk, the OCIDA Board adjourned the meeting at 9:02 am. Motion was carried.



Honora Spillane, Secretary